



U.S. Department of Justice

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NEWS RELEASE

Richard S. Hartunian, United States Attorney for the Northern District of New York, announced today that William A. Stehl, 65, and Richard M. Rossignol, 59, were arrested on March 29, 2010 in Oxnard, California in connection with an indictment filed in the Northern District of New York. Both were charged on March 2, 2010 with Conspiracy to Commit Mail and Wire Fraud, in violation of 18 U.S.C. § 1349. The conspiracy charge alleges that from 2001 up to the time of the indictment, Stehl, Rossignol, and others persuaded and induced persons, through false representations and promises, to invest money in companies Stehl was affiliated with that were purportedly developing or utilizing various applications of an “alternative energy source” Stehl claimed he had developed. Investors were told that one of Stehl’s applications related to the processing of precious metals allegedly contained in a “slag pile” in Silver City, New Mexico.

The indictment alleges that Stehl and Rossignol obtained money from investors by making false representations about the status of the process, claiming that contracts and licensing

agreements had either been signed, or were about to be signed, which would result in significant financial returns for the investors. Stehl and Rossignol obtained more than 7 million dollars from more than 300 “investors” during the time frame of the conspiracy. None of the investors received the returns promised by Stehl and Rossignol, and most of the money obtained was used for personal expenditures by Stehl and Rossignol.

Stehl was running his ventures out of the Saranac Lake, New York area at the start of the time frame for the conspiracy in the indictment, and continued in other locations up to the time of the indictment. Victims of the alleged fraud are primarily from the areas of Sacramento, California; Los Angeles, California; and Charleston, West Virginia.

Stehl is charged individually with three counts of attempting to evade and defeat income taxes, in violation of 28 U.S.C. § 7201, and one count of falsifying a federal income tax return, in violation of 28 U.S.C. § 7206(6). Those charges relate to allegations that Stehl evaded filing federal income tax returns and falsified a federal income tax return while residing in Saranac Lake, New York during the 2002-2004 calendar years. Stehl is also charged with one count of making false statements to federal agents on November 29, 2005, in violation of 18 U.S.C. § 1001.

Both Stehl and Rossignol appeared on March 29, 2010 before Federal Magistrate Judge Charles Eick in federal court in Los Angeles and entered pleas of not guilty to the charges. An indictment is a mere accusation and the defendants are presumed innocent unless and until proven guilty in a court of law. On March 31, 2010, Magistrate Judge Eick issued an Order releasing them on conditions, under the supervision of Federal Pre-Trial Services. The conditions included posting bonds secured by property. They will be appearing in federal court in Albany, New York within the next month.

If convicted of the conspiracy to commit mail and wire fraud charge, Stehl and Rossignol can receive a sentence of up to 20 years in federal prison. The false statement charge filed against Stehl allows for a sentence of up to 5 years. The income tax evasion charges filed against Stehl each allow for sentences of up to 5 years, and a conviction for falsifying a federal tax return allows for a sentence of up to 3 years.

The investigation of this case has been conducted by Special Agents of the Internal Revenue Service Criminal Investigation and the Federal Bureau of Investigation. The case is being prosecuted by Assistant United States Attorney Kevin P. Dooley of the Binghamton branch office. Additional inquiries can be directed to AUSA Dooley at (607) 773-2887.